

Surprise Plea By LBJ's Former Aide

San Angelo, Tex.

Former presidential aide Jake Jacobsen pleaded no contest yesterday to charges of stealing \$825,000 from a west Texas savings and loan company and was put on probation for seven years.

Jacobsen, an Austin attorney and the man who accused former Treasury Secretary John Connally of taking a bribe, surprised the court with his no-contest plea.

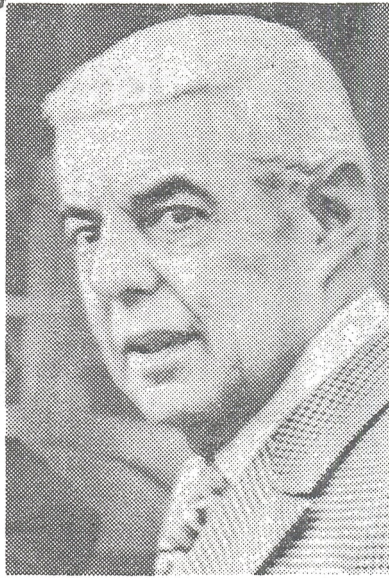
Jacobsen was charged in both state and federal courts with taking the money from the First Savings and Loan Association of San Angelo, where he was an officer and majority stockholder.

He allegedly took the money by arranging a loan for himself and securing it with land worth half of the \$825,000. Officers have not said what happened to the money.

The Justice Department dropped federal charges against Jacobsen in the summer of 1974, but Jacobsen was indicted by the state a few days later, shortly before the statute of limitations expired.

Also indicted was fellow officer Ray Cowan of San Angelo, who pleaded guilty in 1974 and is currently serving a five-year term.

Jacobsen was an influential figure in the Austin legal community in the early 1970s when the illegalities allegedly took place. He had been an aide to former President Lyndon Johnson, was a lobby-



JAKE JACOBSEN
'No contest' to stealing

ist for a Texas milk cooperative and operated a thriving legal business.

In April, 1975, Jacobsen testified he gave Connally a \$10,000 bribe from the milk cooperative, Associated Milk Producers Inc., so Connally would influence the Nixon administration to raise price supports for raw milk. Connally was acquitted.

In exchange for his testimony and for Jacobsen's guilty plea to one count of bribery, special Watergate prosecutor Leon Jaworski dropped federal charges in the San Angelo misapplication case.

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